Message Text

PAGE 01 LUSAKA 00693 130924 Z

46

ACTION COME-00

INFO OCT-01 AF-10 EUR-25 ADP-00 EB-11 XMB-07 OMB-01 AID-20

TRSE-00 DOTE-00 INT-08 IO-12 STR-08 CIAE-00 DODE-00

PM-09 H-02 INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01

PRS-01 SS-15 USIA-12 AGR-20 EA-11 RSR-01 /201 W

R 130820 Z APR 73
FM AMEMBASSY LUSAKA
TO SECSTATE WASHDC 8767
INFO AMEMBASSY DAR ES SALAAM
AMEMBASSY BLANTYRE
AMEMBASSY NAIROBI
AMEMBASSY MBABANE
AMEMBASSY LONDON

CONFIDENTIAL LUSAKA 693

PASS COMMERCE, OPIC, EXIM, AID

E. O. 11652: GDS TAGS: ETRD, ZA, US

SUBJ: RHODESIA BORDER CLOSURE: SITUATION AT THREE MONTHS

- 1. SUMMARY. FIRST THREE MONTHS OF BORDER CRISIS HAVE PASSED REASONABLY WELL FOR ZAMBIA, BUT LONG DELAY IN TAKING CERTAIN KEY ACTIONS COULD WELL RESULT IN UNNECESSARILY SEVERE AND PROLONGED SHORTAGES ESSENTIAL SUPPLIES. PARTICULAR CAUSES FOR CONCERN ARE IMPORT LICENSE LOG JAM AND FAILURE GRZ SO FAR CONCLUDE ANY TRUCK PROCUREMENT TRANSACTIONS. THERE ARE INDICATIONS, HOWEVER, GRZ NOW BECOMING AWARE OF NEED TO ACT WITH MINIMAL FURTHER DELAY. END SUMMARY.
- 2. ZAMBIA HAS WEATHERED FIRSTTHREE MONTHS OF BORDER CLOSURE WITH NO MAJOR SHORTAGES OF ESSENTIAL GOODS HAVING OCCURRED AND WITH COPPER PRODUCTION AND EXPORT MOVING AT ACCEPTABLE PACE. THIS ACHIEVEMENT MADE POSSIBLE LARGELY BECAUSE STOCKS OF MANY GOODS AND MATERIALS WERE HIGH AT OUTSET OF CRISIS AND CONFIDENTIAL

PAGE 02 LUSAKA 00693 130924 Z

BECAUSE ZAMBIANS ABLE FOR TIME BEING AT LEAST TO FINANCE EXPENSIVE AIRLIFT.

- 3. ZAMBIANS HAVE MADE LESS THAN EFFECTIVE USE OF THIS PERIOD OF GRACE TO PROCEED WITH TRADE REPOUTING AND TO ASSURE CRITICAL SUPPLIES DO NOT RUN SHORT WHEN CURRENT STOCKS DEPLETED. CERTAIN AMOUNT OF DELAY AND CONFUSION TO BE EXPECTED IN VIEW SUDDENNESS OF TURN OF EVENTS IN JANUARY AND LACK FULL REALIZATION OF CONSEQUENCES. SLOWNESS IN DECISIVE ACTION PARTLY RESULT OF ZAMBIAN ANTICIPATION OF SUBSTANTIAL AND RAPID INTERNATIONAL ASSISTANCE. THERE HAS BEEN TENDENCY TO AWAIT MARSHALLING OF SUCH ASSISTANCE. THEY WAITED FIRST FOR UNSC TO MEET ON BORDER CRISIS. THEN FOR VISIT OF UN SPECIAL MISSION AND ITS REPORT. AND THEY NOW TEMPTED WAIT FOR UNSYG CARRY OUT HIS MANDATE TO ORGANIZE INTERNATIONAL ASSISTANCE TO ZAMBIA (USUN 1299). IN MEANTIME, WHILE THEY HAVE COME SOME DISTANCE IN ASSIGNING RESPON-SIBILITIES AND IN SETTING UP COORDINATION MECHANISMS, ZAMBIANS HAVE NOT YET TAKEN A NUMBER OF ESSENTIAL STEPS; IN PARTICULAR, IMPORT LICENSE LOG JAM REMAINS UNBROKEN AND, AS FAR AS WE ABLE DETERMINE, NO EXTRAORDINARY TRUCK PURCHASES HAVE YET BEEN MADE, EVEN THOUGH ZAMBIANS THEMSELVES CONTINUE INSIST THEY NEED OVER 1.000 TRUCKS AT EARLY DATE.
- 4. GRZ ASSERTS NEW IMPORT LICENSING SYSTEM(LUSAKA 329) NOW IN OPERATION BUT, ACCORDING TO MUNEROUS INDUSTRY AND COMMERCIAL SOURCES, LICENSES EITHER NOT FORTHCOMING AT ALL OR AMOUNT GRANTED INSUFFICIENT TO COVER BASIC REQUIREMENTS. COPPER INDUSTRY REMAINS EXCEPTION AND IT SO FAR ABLE IMPORT WHAT IT NEEDS TO MAINTAIN PRODUCTION. ACCORDING TO ANGLO AMERICAN GENERAL MANAGER PETER LEYDEN, WHILE GRZ CONTINUES REFUSE ADMIT MOST OF THE ESSENTIAL MINING EQUIPMENT STILL WAITING JUST ACROSS THE BORDER IN RHODESIA, APPLICATION TO IMPORT THE SAME TYPE OF EQUIPMENT BY AIR FROM ELSEWHERE AUTOMATICALLY ENSURES IMPORT LICENSE. LEYDEN SAID COPPER PRODUCTION BEING MAINTAINED (DESPITE CURIOUSLY BURIED BRIEF PRESS REPORT TO CONTRARY APRIL 9), BUT HE DEEPLY CONCERNED THAT COPPER INDUSTRY SUPPLY SYSTEM WILL BE SERIOUSLY DISRUPTED IF IMPORT LICENSES FOR SUB-SUPPLIERS, WHO PROVIDE 80 PERCENT OF INDUSTRY NEEDS, NOT GRANTED VERY SOON. THOUGH THEY HE BY- PASSED SUB- SUPPLIERS TO CERTAIN EXTENT, COPPER COMPANIES NOT EQUIPPED HANDLE ALL THEIR OWN IMPORTS DIRECTLY. LEYDEN ANTICIPATES SOME SUPPLY PIPELINES WILL SOON BE EMPTY AND LONG DELAY WILL ENSUE BEFORE THEY CAN BE CONFIDENTIAL.

PAGE 03 LUSAKA 00693 130924 Z

FILLED AGAIN. CONSIDERS IT QUITE POSSIBLE THAT GREATLY EXPANDED RESORT TO COSTLY ACLIFT WILL BE NECESSARY IF REDUCTION IN COPPER OUTPUT TO AVOIDED. (LEYDEN, INCIDENTALLY, EXTREMELY PLEASED WITH ALASKA INTERNATIONAL AIR OPERATION.)

5. THOUGH GRZ IS STILL SHOPPING AROUND FOR TRUCKS WITHOUT HAVING MADE FINAL DECISION ON ANY TRANSACTION, THERE NOW SOME SIGNS LEADERSHIP BEGINNING TO RECOGNIZE ACTION MUST BE TAKEN SOON. THOUGH THERE UNDOUBTEDLY OTHER MOTIVATIONS INVOLVED IN

THIS WEEK'S RESHUFFLING OF HIGH LEVEL PERSONNEL (LUSAKA A-35, APRIL 6, 1973), IT APPEARS THAT DISORDER AND DELAY IN TRANSPORT EQUIPMENT PROCUREMENT WAS WHAT MOVED PRESIDENT TO APPOINT PATRICK CHISANGA, FORMER MANAGING DIRECTOR OF NATIONAL TRANSPORT CORPORATION, AS SPECIAL ASSISTANT TO GRZ SECGEN AARON MILNER TO COORDINATE AND MOVE AHEAD ON PROCUREMENT.

- 6. WE HAVE NOT YET HAD DIRECT CONTACT WITH CHISANGA SINCE HE ASSUMED HIS NEW POSITION. BUT MACK TRUCK REPRESENTATIVE ANTHONY VAYNARD MET WITH HIM APRIL 10 AND CAME AWAY WITH FOLLOWING DESCRIPTION OF TRANSPORT PROCUREMENT SITUATION: CHISANGA HEADS INTERMINISTERIAL COMMITTEE TO REVIEW TRUCK OFFERS AND RECOMMEND COURSE OF ACTION TO CABINET. AID AND OTHER FINANCING OFFERS STILL BEING SOLICITED BY 2 GRZ REPS NOW IN FAR EAST. (THESE ARE PRESUMABLY PRESIDENTIAL ASSISTANTS CHONA AND LISHOMWA WHO BEGAN TOUR IN US, CANADA AND EUROPE AND ARE NOW IN PEKING.) SEEMS INTENTION IS, IN ABOUT TWO WEEKS, TO INVITE NUMBER OF COMPANIES TO SEND HIGH- LEVEL REPS TO ZAMBIA TO NEGOTIATE SALES CONTRACTS. GRZ WILL BE SEEKING INITIAL DELIVERIES AT EAST AFRICAN PORTS IN 60 RPT 60 DAYS FROM DATE OF CONTRACT. TAW INTERNATIONAL LEASING APPEARS TO BE ONLY COMPANY WITH ALMOST CERTAIN DEAL. MAINLY BECAUSE OF TRUCKS AVAILABLE FOR IMMEDIATE DIVERSION FROM WEST AFRICA. MACK ITSELF WAS GIVEN DISTINCT IMPRESSION IT NOT TOO LATE IN GAMSTO WIN BUSINESS, PROVIDED TERMS ARE RIGHT.
- 7. IT UNDERSTANDABLE ZAMBIANS WISH TAKE TIME SEEK BEST POSSIBLE TERMS FOR TRANSPORT PROCUREMENT AND IT IMPORTANT TO THEM HAVE FAIR IDEA OF WHAT THEY CAN EXPECT IN FORM OF CONCESSIONARY ASSISTANCE. BEFORE PLUNGING INTO COSTLY OPERATION, THEY NATURALLY WOULD LIKE HAVE CLEAREST POSSIBLE CONCEPT OF WHAT OVERALL COST OF TRADE REROUTING WILL BE AND INDICATION TO WHOM SHOULD DIRECT TRANSPORT ORDERS. IF SCENARIO OUTLINED PARA 6 ABOVE REASONABLY CONFIDENTIAL

PAGE 04 LUSAKA 00693 130924 Z

ACCURATE, GRZ APPEARS BE COMING TO CONCLUSION IT CANNOT WAIT TO HAVE ALL PIECES OF PUZZLE ASSEMBLED AND MUST SHORTLY BEGIN MAKE COMMITMENTS REQUIRED BY DECISION REROUTE TRADE. NELSON

CONFIDENTIAL

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X Capture Date: 07 MAY 1999 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: n/a Control Number: n/a Copy: SINGLE Draft Date: 13 APR 1973 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: RELEASED

Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LUSAKA00693

Document Number: 1973LUSAKA00693 Document Source: ADS Document Unique ID: 00 Drafter: n/a

Enclosure: n/a Executive Order: N/A Errors: n/a Film Number: n/a From: LUSAKA

Handling Restrictions: n/a

Image Path:

Legacy Key: link1973/newtext/t19730460/abqcefvn.tel Line Count: 153 Locator: TEXT ON-LINE

Office: ACTION COME

Original Classification: CONFIDENTIAL Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 3

Previous Channel Indicators:
Previous Classification: CONFIDENTIAL Previous Handling Restrictions: n/a Reference: n/a

Review Action: RELEASED, APPROVED Review Authority: golinofr

Review Comment: n/a Review Content Flags: Review Date: 06 AUG 2001

Review Event:

Review Exemptions: n/a
Review History: RELEASED <06-Aug-2001 by willialc>; APPROVED <29-Jan-2002 by golinofr>

Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN

Status: <DBA CORRECTED> jms 980114
Subject: RHODESIA BORDER CLOSURE: SITUATION AT THREE MONTHS

TAGS: ETRD, US, ZA

To: STATE INFO DAR ES SALAAM BLANTYRE

NAIROBI MBABANE LONDON

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005